

Relationships



INDIANA DEPARTMENT OF COMMERCE

2001 Annual Report

Contents

<u>Lieutenant Governor's Letter</u>	<u>2</u>
<u>2001 By the Numbers</u>	<u>4</u>
<u>A Healthy Relationship</u>	<u>6</u>
<u>Paving the Way</u>	<u>8</u>
<u>Making the Connection</u>	<u>10</u>
<u>A Step Ahead</u>	<u>12</u>
<u>Going Global</u>	<u>14</u>
<u>Enjoying Indiana</u>	<u>16</u>
<u>Dedicated to Downtown</u>	<u>18</u>
<u>Building Tomorrow's Workforce</u>	<u>20</u>
<u>A Look Ahead</u>	<u>22</u>
<u>Resources</u>	<u>24</u>

The Indiana Department of Commerce is the state's lead economic development agency. Through its 13 divisions, Commerce helps communities and businesses develop, expand and strengthen the quality of life in Indiana. Commerce's mission is to build economic development capacity by creating secure jobs, higher incomes and competitive communities for Indiana citizens.

Commerce has excellent resources for competitive economic development ventures, and uses them in partnerships with local development offices to lure new and growing companies. The Business Development Division can offer tax credits, training grants and infrastructure funds to companies and communities to ensure that Indiana is the best state for economic growth.

Indiana's world-class communities are exceptionally attractive for growing businesses, and the Community Development Division helps cities, towns and counties continue to improve. It does this in a variety of ways, including grants to assist with public infrastructure or childcare accessibility, matching savings accounts for low-income Hoosiers, and tax credits that support non-profit organizations.

The International Trade Division helps Indiana companies find new markets overseas through its 13 foreign trade offices. International Trade also encourages businesses to visit those markets through its Trade Show Assistance Program, which helps companies attend international shows to promote their goods and form new partnerships.

Commerce's Energy Policy Division helps businesses throughout the state develop cleaner, more efficient

processes. Through a series of grants and loans that encourage the preservation of Indiana's natural resources, the division helps companies save on energy costs.

The department's newest division, the E-Commerce Division, assists businesses and government in promoting their services via the Internet. The division also encourages the use of e-business for attraction, expansion and retention of services.

Commerce is also home to the Tourism and Film Development Division. By partnering with local convention and visitors bureaus throughout the state, it helps promote Indiana's attractions, festivals and events. Tourism is a \$6.1 billion industry for the state, and the division's grants and promotional efforts work to increase that impact. The division also houses the Indiana Main Street Program, which is the largest program of its kind in the nation.

Through its divisions, the Indiana Department of Commerce takes a broad approach to economic development. Building communities, opening new markets, maintaining a healthy environment and increasing visitor spending all go hand-in-hand with making the state a more attractive place to do business. It all works to make Indiana a state of progress – and a great state to grow a business.



RELATIONSHIPS: In 2001, Hoosiers, like all Americans, came to value their importance like never before. The events of the past year have reminded us to appreciate our family, friends, co-workers and customers more than ever.

And as we learn to cope with the realities of a post-September 11th world, relationships are the key to our survival and success.

This year, Indiana, along with the majority of states across the nation, faced serious economic challenges. However, our relationships and hard work kept us moving in the right direction. This annual report celebrates those relationships and the progress we have made because of them.

TAKING CARE OF BUSINESS

In 2001, the Hoosier economy was challenged in ways it hadn't been for many years. Those challenges made the work of the Indiana Department of Commerce especially crucial and our successes especially sweet.

Over the last decade, our state has worked to diversify its economy and ensure that the skills of our workforce are constantly improving. These efforts continued in 2001 and contributed greatly to Indiana's ability to weather rough times. Our traditional manufacturing and agricultural bases have been joined by innovative firms in the high-tech, advanced manufacturing, life sciences and distribution and

logistics industries—sectors that provide balance to our economy and great potential for future growth.

The business attraction and retention efforts of Commerce's Business Development Division were intense in 2001. Commerce assisted in the attraction of 32 new businesses and the expansion of 133 others, creating and retaining thousands of Hoosier jobs.

While we worked to strengthen our economy at home, the state also maintained its presence on the world stage. The International Trade Division aggressively sought new clients and new markets for Indiana exporters.

The year began on a high note, as the state's 13th foreign trade office opened in Jerusalem to serve the Eastern Mediterranean area. And while the events of September 11th dampened third and fourth quarter exports nationwide, Indiana still posted its second best year ever, shipping more than \$14.4 billion of goods to other countries.

The competitive health of our communities continued to be a priority in 2001 as well. Commerce assisted cities, towns, counties and not-for-profit organizations across the state. We welcomed two new urban enterprise zones in Mitchell and Portage, bringing the total number to 25, and added four new communities – Carlisle, Mooresville, Stinesville and Wakarusa—to our Indiana Main Street program.



L.T. GOVERNOR JOE KERNAN AND GOVERNOR FRANK O'BANNON (COURTESY OF THE INDIANAPOLIS STAR)

Commerce's Community Development Division also launched a new brownfields clean-up program using federal dollars.

TOURING THE HEARTLAND

In 2001, many Americans made the decision to stay close to home, even while on vacation. This presented some new opportunities to Indiana's tourism industry.

To promote Indiana's events and attractions, the Tourism and Film Development Division of Commerce launched an aggressive marketing effort to support the state's tourism Web site, www.EnjoyIndiana.com. The result was a 116 percent increase in recorded visits over the previous year. The division also added more partners to its cooperative marketing efforts; more than 1,200 Indiana destinations and businesses partnered with Commerce in 2001, leveraging \$2.1 million to supplement the state's tourism marketing funds.

Tourism also initiated a welcome center and rest area interior design project that will significantly enhance Indiana's image to the 25 million annual travelers who stop at nearly 40 locations statewide.

FUELING THE FUTURE

Energy prices were difficult to predict in 2001 as Americans grappled with real and perceived shortages and volatile markets. Commerce's Energy Policy Division continued to lead the state through this uncertainty.

Preparing for the future needs of businesses and communities, the division updated its Industrial Energy Efficiency Program and launched the Distributed Generation Grant Program to promote the manufacture of electricity at or near the site of consumption.

Indiana's recycling and reuse industry is big business, employing approximately 75,000 Hoosiers and generating \$19 billion in annual revenues. In 2001, the Energy Policy staff brought Indiana recycling into cyberspace, launching www.CommerceRecycles.com, a Web site that includes a searchable database for recyclable materials markets and recycled products.

CHARTING PROGRESS

As Indiana has proven time and time again, it is a state of progress. As you read through the stories highlighted in this annual report, you'll see that by working together with units of local government, businesses, communities and partners all across the world, we've built relationships that sustain us through difficult times and elevate us in the best of times.

Sincerely,

Joseph E. Kernan
Lieutenant Governor
Director, Indiana Department of Commerce

2001 By the Numbers

Business Development

	2001	1997-2001
Skills Enhancement Fund		
Grants Awarded	222	1,080
Total Funds Awarded	\$12.6 million	\$68.6 million
Investment Leveraged	\$1.95 billion	\$10.6 billion
New Jobs Created	6,355	49,165
Retrains	50,112	248,148

	2001	1997-2001
EDGE Tax Credits		
Credits Awarded	14	63
Total Funds Awarded	\$80.9 million	\$326 million
New Jobs Created	5,586	27,411

	2001	1997-2001
Industrial Development Grant Fund		
Grants Awarded	6	137
Total Funds Awarded	\$426,750	\$20.9 million
Investment Leveraged	\$51.7 million	\$3.32 billion
Total New Jobs Benefited	957	17,512

International Trade

	2001	1997-2001
Trade Show Assistance Program		
Grants Awarded	52	277
Total Funds Awarded	\$221,939	\$1.15 million
Investment Leveraged	\$702,166	\$2.45 million
Jobs Benefited	4,804	30,556

Energy Policy

	2001	1997-2001
RPAF \$1 Million		
Loans Awarded	3	5
Total Funds Awarded	\$2.0 million	\$3.5 million
Investment Leveraged	\$13.3 million	\$29.1 million
Total Jobs Impacted	39	141

	2001	1997-2001
RPAF Loans		
Loans Awarded	5	23
Total Funds Awarded	\$2.06 million	\$7.7 million
Investment Leveraged	\$29.4 million	\$100 million
Total Jobs Impacted	151	442

	2001	1997-2001
Industrial Energy Efficiency Fund		
Grants Awarded	2	12
Total Funds Awarded	\$250,000	\$2.1 million
Total Jobs Impacted	22	267

	2001	1997-2001
Recycled Product Marketing Grant		
Grants Awarded	3	6
Total Funds Awarded	\$90,000	\$180,000
Investment Leveraged	\$241,117	\$336,017

	2001	1997-2001
Recycled Product Purchasing Grant		
Grants Award	24	36
Total Funds Awarded	\$170,726	\$225,471
Investment Leveraged	\$453,647	\$603,571

Community Development

Community Focus Fund	2001	1997-2001
Grants Awarded	63	349
Total Funds Awarded	\$24.81 million	\$137.66 million
Investment Leveraged	\$20.52 million	\$129.99 million

CFF Planning Grant	2001	1997-2001
Grants Awarded	41	213
Total Funds Awarded	\$1.5 million	\$7.76 million
Investment Leveraged	\$185,607	\$1.07 million

Community Planning Fund	2001	1997-2001
Grants Awarded	28	142
Total Funds Awarded	\$256,193	\$1.28 million
Investment Leveraged	\$594,914	\$2.2 million

Neighborhood Assistance Program	2001	1997-2001
Credits Awarded	72	377
Total Funds Awarded	\$2.48 million	\$12.69 million

Community Development Action Grant	2001	1997-2001
Grants Awarded	30	133
Total Funds Awarded	\$1.3 million	\$5.3 million

Urban Enterprise Zone Program	2001	1997-2001
Designated Zones	2	7
Brownfield Grants Awarded	5	14

Tourism, Film & Main Street

Indiana Tourism	2001	1997-2001
Total Tourist Expenditures	\$6.1 billion	\$28.4 billion
Total Visitors (Leisure + Business)	53.6 million	263.3 million
Overnight Leisure Traveler Expenditures	\$3.2 billion	\$15.2 billion
Total Overnight Leisure Visitors	17.2 million	82.3 million
EnjoyIndiana.com Individual Users	1.54 million	2.24 million
EnjoyIndiana.com Pages Viewed	5.28 million	7.5 million

Tourism Information and Promotion Fund	2001	1997-2001
Number of Grants Awarded	46	245
Total Amount (\$) of Grants	\$478,819	\$1.92 million
Dollars Leveraged	\$1.19 million	\$5.39 million

Film Development	2001	1997-2001
Number of Films Produced	2	14
Total Investment by Film Companies	\$50,000	\$4.45 million
Jobs Created	15	136

Indiana Main Street	2001	1997-2001
Number of Main Street Communities	4	163
Investment in Downtown Buildings	\$21.8 million	\$954 million
Investment in Downtown Infrastructure	\$11.6 million	\$119 million
Number of New Housing Units Created	166	186
Number of Net New Businesses Created	142	398
Number of Business Expansions	41	86
Number of Net New Jobs Created	784	2,505
Private Investment Leveraged	\$19.7 million	\$223.26 million
Public Investment Leveraged	\$12.3 million	\$66.87 million

A Healthy Relationship

CARY HUTCHINGS, INDIANA DEPARTMENT OF COMMERCE



Indiana has always enjoyed a variety of healthy relationships – be it with businesses, industries or among government entities. In 2001, many of those relationships converged to retain an innovative medical technology firm in the nation's healthcare heartland.

Puritan Bennett Corp. is a pioneer in liquid oxygen systems, designing and manufacturing the world's only lightweight oxygen delivery systems. The HELIOS™ and Companion™ liquid oxygen systems use cutting-edge technology to condense oxygen into liquid form and place it into a 15-inch portable canister. Weighing just over three pounds, the canisters are easily fastened to belts, eliminating the need for oxygen-dependent patients to lug around bulky oxygen tanks. The canisters provide more flexibility and still supply adequate airflow.

With this technological breakthrough, and rapidly growing consumer demand, the company realized it needed to expand production – and quickly. In competition with sites in Minnesota and Missouri, Indiana utilized an existing relationship to keep the company in the area. The Indiana Department of Commerce's Business Development Division, the city of Indianapolis, the



BRAD HART, PURITAN BENNETT

Puritan Bennett is just one of many life sciences companies that call Indiana home. The Battelle Memorial Institute reports that central Indiana has 278% more pharmaceutical companies and 79% more medical device-related businesses than the rest of the nation. With numbers like that, it's no wonder the life sciences sector is the fastest growing industry in the state.

Hendricks County Partnership and the Indy Partnership teamed up to find the perfect spot for the growing company.

In December, Puritan Bennett announced its decision to grow in central Indiana, moving from its Indianapolis facility into a larger building in Plainfield. The move retains 282 employees, creates 180 additional jobs and keeps another growing 21st century company in the state.

"We are very fortunate to have secured our expansion within the surrounding area of Indianapolis," said Brad Hart, Puritan Bennett plant manager. "By doing so we have safeguarded the retention of our outstanding workforce, while providing for a seamless transition to our customers. Our appreciation goes to the leadership of both state and local organizations who worked with us to make this expansion possible."

The Indiana Department of Commerce offered more than \$2.09 million in assistance. Puritan Bennett was awarded \$295,000 from Commerce's Skills Enhancement Fund (SEF) to train new and existing employees in a variety of areas and up to \$1.8 million in Economic Development for a Growing Economy (EDGE) credits over a ten-year period. The town of Plainfield offered ten-year tax abatements on real and personal property worth approximately \$977,930.

Thanks to the relationship between the various economic partners, yet another new relationship was formed. As Puritan Bennett grows, everyone's a winner – proving that Indiana's commitment to regionalism and relationships keeps us in a state of progress.

Some relationships are easy to take for granted. Take the relationship between electricity and coal. When you flip on a light switch, do you think about the fuel being burned to create the electricity you're using? What about the by-products created by using that fuel?

Paving the Way

TIFFANY SORGE, INDIANA DEPARTMENT OF COMMERCE



The road embankment being constructed for this Innovations Grant project will use about 50,000 tons of coal ash, which would otherwise be landfilled. Every year, in Indiana alone, four million tons of ash are discarded. This test's success could lead to the reuse of thousands more tons of coal and a cleaner environment.



HOWARD LEWIS, PSI ENERGY, INC.

In Indiana, 97 percent of the electricity generated to power our homes and businesses comes from coal-fired power plants. Each year those plants produce about four million tons of ash, most of which ends up in landfills or surface impoundments called 'ash ponds.' As we consume more energy, we produce more waste, filling those ponds and making it necessary to open new ones.

In 2001, with the help of the Indiana Department of Commerce's Energy Policy Division (EPD), a new relationship was formed to address this challenge. Representatives from PSI Energy, Inc., the Indiana Electric Association, Purdue University and the Indiana Department of Transportation (INDOT) were awarded a \$100,000 EPD Innovations Grant to test beneficial ways to reuse coal ash.

The grant money will help this team research and construct a road embankment using about 50,000 tons of coal ash. The team has selected U.S. Highway 231 in Spencer County as the test project site. The embankment will be built in 2002, after which the team will monitor its field performance and environmental impact.

Similar demonstration projects have been done in the past, and they've proven successful. Based on those successes,

INDOT has already approved the use of coal by-products in embankments. Why, then, is this project so important? It's a question of proportions. When coal is burned, two types of ash are created — bottom ash and fly ash. Past test projects have demonstrated that it's safe to use a mixture of 60 percent or more bottom ash and 40 percent or less fly ash in road embankments. But this mixture is difficult to come by, because most coal power plants produce greater quantities of fly ash. Electric utilities can rarely provide INDOT with such a large volume of bottom ash, so INDOT doesn't often have the chance to put coal ash to use.

This project is paving the way for a new relationship by testing a very different mixture: a combination of 80 percent fly ash and 20 percent bottom ash. If it's successful, thousands of tons of ash could be diverted from landfills and put to use throughout the Crossroads of America.

Some of the most imaginative research taking place in Indiana is helping to ensure that the relationship between consumer needs and the environment is balanced. Indiana is in a state of progress because it has a wealth of resources, and their protection requires the use of perhaps its greatest resource of all: innovation.

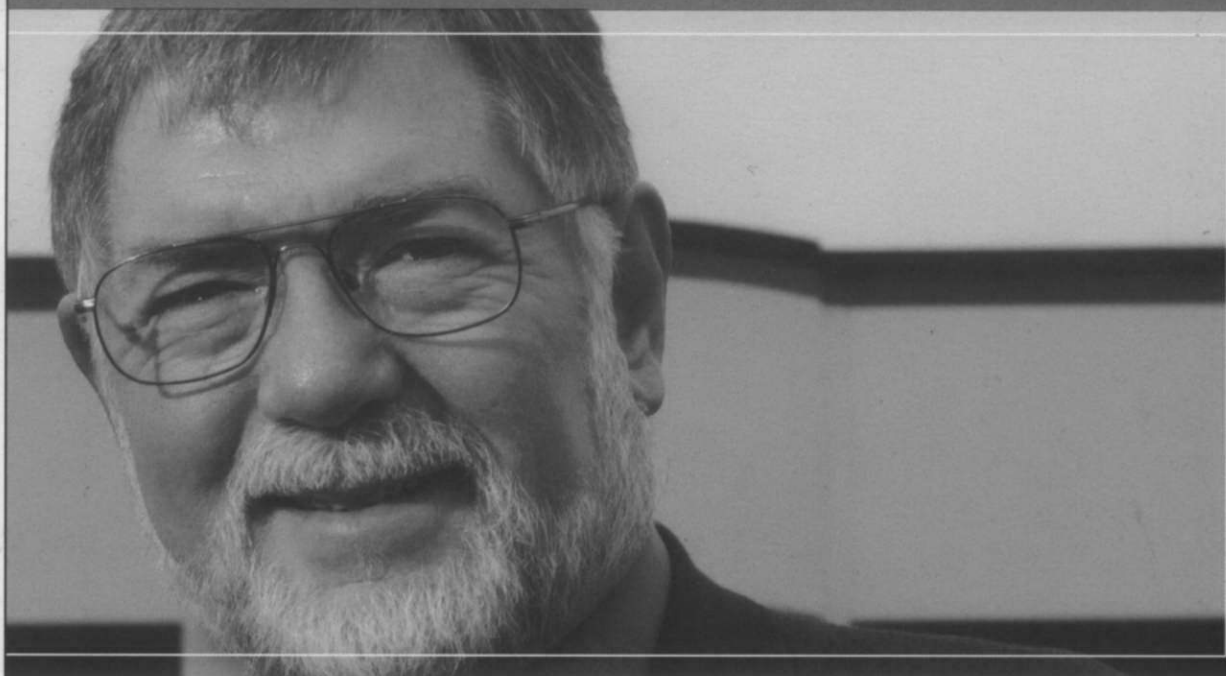
Making the Connection

PAM FISHER & CHRISTOPHER MATNEY, INDIANA DEPARTMENT OF COMMERCE



"Our relationship with the state has been a tremendous boon to our company. Without their assistance, we could not have expanded and we would not have been able to be as successful as we have been in reaching into the global market," said Bruce Malcolm, Trilithic owner.

In today's technology-driven world, to be competitive, you must be connected. Instant communication is no longer a luxury; it's a necessity – and it's key to maintaining solid relationships with family, friends, co-workers and especially clients.



BRUCE MALCOLM, TRILITHIC

Indianapolis' Trilithic, Inc. is just one of numerous forward-looking companies that are changing the way we live, work and play. Founded in 1987 on Bruce Malcolm's pool table, today Trilithic is one of the world's leading designers and manufacturers of emerging telecommunications technologies. The company produces 1,500 different products ranging from radio frequency (RF) and microwave components for cell phones to cable television test equipment.

In 2001, to meet the needs of its ever-growing customer base, Trilithic made the decision to expand in central Indiana. Working with the city of Indianapolis, the Indy Partnership and Commerce's Business Development Division, ground was broken on a new \$5.6 million state-of-the-art headquarters, located on the city's eastside. The 120,000-square-foot facility, which opened in November 2001, houses the company's expanded manufacturing, research, design and administrative units.

But Trilithic's relationship with Commerce didn't end there. The company was looking to expand its global reach, and Commerce's International Trade Division (ITD) was there to help. Working with ITD representatives and the state's trade

offices in Brazil, Canada, China, Europe, Israel, Mexico and Singapore, Trilithic is introducing its high-tech products and innovative solutions to new markets around the world.

ITD provided Trilithic with a \$5,000 grant to help the company attend a telecommunications trade show in China. From leads generated at the show, Trilithic estimates it will sell \$500,000 worth of goods in China over the next 12 months.

"Our relationship with the state has been a tremendous boon to our company. Without their assistance, we could not have expanded and we would not have been able to be as successful as we have been in reaching into the global market," said Malcolm.

Trilithic's goal is to find innovative solutions that facilitate relationships and, as technology makes the world smaller, the company's potential for growth seems endless. From Indiana to Beijing, Trilithic is making a name for itself, helping to keep Indiana in a state of progress.

What's the common thread between NBA players, tourists at Walt Disney World and college students? The relationship might not be obvious, but if you look closely, any one of them could be wearing a pair of socks produced by Brown County's For Bare Feet, Inc.

A Step Ahead

VICKI KELLERMAN, INDIANA DEPARTMENT OF COMMERCE



"Our company is growing like a weed. It's quite exciting. When we started, there was nothing on the market like this," said Sharon Rivenbark, owner of For Bare Feet. Today the company is a licensee to the NFL, NBA, NHL and both Major League and Minor League baseball.



SHARON RIVENBARK, FOR BARE FEET

Sharon Rivenbark opened For Bare Feet with her son in Nashville in 1984, designing and selling socks that featured company logos. It didn't take long for local retailers and wholesalers to take notice of their products.

Soon, the small company with one knitting machine had to expand to accommodate its new role as an official licensed vendor for Indiana University. The company's production facility was moved to the old Helmsburg High School in Helmsburg, Ind., so it could have room to grow.

And grow it has. Today, For Bare Feet is one of the country's leading suppliers of specialty socks, employing more than 130 people — including many of Rivenbark's family members in key management positions. It's a licensee to the National Football League, the National Basketball Association, both Major League and Minor League baseball and the National Hockey League. The company also boasts clients such as J.C. Penney, Sears, the Kennedy Space Center, Yellowstone Park and Sea World.

"Our company is growing like a weed," Rivenbark said. "It's quite exciting. When we started, there was nothing on the market

like this. Now there are two or three other companies out there. It's become an accepted thing."

Having expanded so much so quickly, the company has faced challenges, including the need to keep its employees' skills as sharp as possible so it can remain competitive. In 2001, For Bare Feet worked with Commerce's Business Development Division to secure a \$23,500 training grant from the Skills Enhancement Fund.

"We are so grateful that the Indiana Department of Commerce has provided this assistance," Rivenbark said. "It will help to keep our company on the cutting edge as we continue to grow."

Sometimes even booming companies need support to continue to succeed. That's why Commerce's programs are flexible enough to help businesses that are expanding as well as those just starting out. It's about progress, and it's about making sure Hoosier companies gain a solid footing in the marketplace—no matter how humble their beginnings.

Going Global

KAREN SANCLEMENTE, INDIANA DEPARTMENT OF COMMERCE



As technology advances and the world gets smaller, global competition is the norm. In today's economy, businesses not only compete with companies around the block, but around the world. Building and maintaining solid relationships is essential to long-term success.

A 2001 benchmark study released by the U.S. Department of Commerce shows that in 1997, Indiana exports supported an estimated 124,300 jobs, or about 20% of the state's total manufacturing employment.



ADAM FAULKNER, CMM

In 2001, Commerce's International Trade Division continued to work with Indiana businesses to expand Indiana's international presence. In July the division brought representatives from its 13 foreign trade offices to Indiana and hit the road, offering trade seminars in South Bend, Indianapolis and Evansville.

Titled "Export Indiana," these seminars provided networking opportunities, plus information and market profiles for Hoosier businesses exploring international trade. Individual meetings with Indiana's foreign trade offices, the Export-Import Bank of the United States and Indiana's Agricultural Trade Specialist were also a part of the events.

One of the participants was South Bend's Custom Machine Manufacturer (CMM).

"We have wanted to reach further into foreign markets with our machinery and technology," said Adam Faulkner, sales and marketing manager for CMM. "We have a handful of machines overseas right now, but we wanted that number to increase. We saw a great opportunity to get our foot in the door with Export Indiana."

Because of the relationships CMM forged during Export Indiana, the company is actively investigating trade possibilities in the Middle East and Southeast Asia – two markets it had not previously explored. "The International Trade Division has given us a presence in these markets," said Faulkner. "The trade representatives living there have a very good feel for where things are and what potential, if any, exists for our services. They do an excellent job of letting us know either way."

During the week, International Trade Division representatives spoke with 250 Indiana companies. The event was such a success that it has been rescheduled for 2002.

As more and more companies see the need for and the benefits of taking their products abroad, business relationships are crossing those same borders. Indiana exports have almost doubled in the past decade, and events like Export Indiana prove that we've only just begun to tap our international potential.

The seminars were sponsored by American Electric Power, Baker & Daniels, Butler University, Cinergy, Escalade Sports, Fairfield Inn, Fifth Third Bank, First Source Bank, Michiana World Trade Council, Northern Indiana Public Service Co., Saint Mary's College, Tri-State World Trade Club, the University of Southern Indiana, and Vectren.

Enjoying Indiana



MARIANNA WEINZAPFEL, INDIANA DEPARTMENT OF COMMERCE

The strongest business relationships leverage individual assets to create the best product possible. The Clarksville Riverfront Development Foundation is a great example.

The foundation is a key partner in the effort to commemorate the bicentennial of Lewis and Clark's expedition, which began in southeastern Indiana. It was in 1803, at the Falls of the Ohio, that Meriwether Lewis and William Clark formed their famous partnership, enlisted men in the Corps of Discovery, and departed on their journey west.

Thanks to the hard work of numerous individuals and organizations in Clarksville and surrounding areas, the Falls of the Ohio has been designated one of only 12 sites for national signature events commemorating the bicentennial, spanning the years 2003 to 2006. The next step is to make sure the public knows the events are taking place. That's where a little leverage goes a long, long way.

In 2001, Commerce's Tourism and Film Development Division gave the foundation a matching-funds grant to attract visitors to the Falls of the Ohio and generate additional tourism dollars for the state. It's just one way the division uses its resources to support the efforts of business owners and community organizations throughout Indiana.

Tourism has been promoting community relationships for years. Ten years ago, it created a newspaper insert that was funded through cooperative advertising from businesses throughout the state. Out of that project has developed the most extensive tourism co-op program in the nation, both in terms of numbers of participants and dollars invested.

More than 1,200 Indiana businesses now participate in this program. Many purchase listing or ad space in the annual Indiana Travel Guide, reaching one million readers in 2001, or in an Indiana highway map that highlights attractions throughout the state. Others buy space in newspaper inserts or ads in magazines like *Midwest Living* and *Endless Vacation* at discounted rates.

Each business that participates in the Travel Guide gets an added bonus: space on the state of Indiana's tourism Web site, EnjoyIndiana.com. The site features a "Trip Planner" that

generates maps and driving directions for any itinerary, encouraging travelers to make lodging reservations online. In 2001, more than 1.5 million users visited EnjoyIndiana.com.

This cooperative program benefits attractions and businesses of all types and sizes. Major attractions like Holiday World in Santa Claus and Indiana Beach in Monticello take part, as do smaller businesses that might not be able to afford extensive print and online advertising on their own — businesses like The Thomas Family Winery in Madison, The Blue Heron Inn and Roskoies in LaPorte, and the Swiss Heritage Village in Berne.

In any type of relationship, cooperation is essential. For Indiana's tourism industry, cooperation is also profitable. Each year more and more people are discovering how to enjoy Indiana — a sure sign of progress.



DANI CUMMINS, CLARKSVILLE RIVERFRONT DEVELOPMENT FOUNDATION

Since its launch in March 2000, annual visitor traffic to EnjoyIndiana.com has more than doubled. In 2000, the site had 711,650 unique visitors. That number increased to more than 1.5 million in 2001.

Dedicated to Downtown

DAVID LEWIS & LINDA KLINCK, INDIANA DEPARTMENT OF COMMERCE



The relationship between an active, attractive downtown and a community's overall economic health is undeniable. That's why Commerce's Indiana Main Street program and the Community Development Division often team up to help communities across Indiana bolster and rebuild their downtowns.

Logansport is one community that has benefited from this teamwork. In 1995, residents decided that their downtown needed to be revitalized. The first step was to form the Logan's Landing Association and become an Indiana Main Street community. Since then, the relationship has flourished, as Indiana Main Street has provided Logan's Landing with development support and counsel.

In 2001, Logansport, like many Main Street communities, faced a new challenge – maintaining the success it had achieved. The community tapped into its existing relationship with Commerce and worked with the Community Development Division to secure two separate grants to improve the downtown area.



PEGGY WIHEBRINK, LOGANSPORT

"Rebuilding our community was something we all took very seriously. This is where we live and we want to be proud of it," said Peggy Wihebrink, downtown coordinator for Logan's Landing.

Logan's Landing received a Community Development Action Grant to supplement its operating budget and support a market analysis by the Center for Economic and Community Development at Ball State University. The community also received a \$395,469 Community Focus Fund grant to improve its sidewalks and curbs, increase handicap accessibility, install new streetlights, bury overhead power lines and plant greenery throughout the downtown area.

"Rebuilding our community was something we all took very seriously. This is where we live and we want to be proud of it," said Peggy Wihebrink, downtown coordinator for Logan's Landing. "By working with Indiana Main Street, we were able to do that. Now, with the help of the Community Development

grant, we are going to take our efforts to a whole new level. The relationship with Commerce has been a great one that has really made a huge difference in our community."

The Indiana Main Street program is the largest of its kind in the nation, with more than 160 communities across the state participating. Since 1997 the Community Development Division has assisted 34 of those Main Street communities with a variety of state and local grants.

Preserving, rebuilding and maintaining our historic downtowns is everyone's business. By utilizing existing relationships and building new ones, Indiana communities are growing stronger every day.

Building Tomorrow's Workforce

JEAN BREAU, INDIANA DEPARTMENT OF COMMERCE

In today's economy the relationship between what you do and what you know is more important than ever. And as a result, having a highly skilled workforce is essential to continued economic growth.

If you look beyond the high-tech products and processes, the heart of a successful operation remains the same—people. To thrive, a company must hire a capable workforce and provide ongoing opportunities for employees' development.

In 2001, the state of Indiana created a groundbreaking new relationship to ensure that companies have the training opportunities they need. Through a joint effort of the Indiana Departments of Commerce and Workforce Development and the State Student Assistance Commission of Indiana, the Skills 2016 program was launched.

Skills 2016 is a kind of "one-stop shopping" program for companies that need workforce training assistance. Among the grants included under the Skills 2016 umbrella are Commerce's Skills Enhancement Fund (SEF), which offers training support to companies that undertake capital investment projects, and Workforce Development's Advance Indiana grants — a variety of programs that help employees get industry-recognized credentials. Skills 2016 also provides financial aid opportunities for part-time students who are seeking independent skill training.

This comprehensive approach is working for companies throughout Indiana — companies like PK U.S.A., Inc. in Shelbyville, which received a \$120,000 SEF grant in 2001, and Nyloncraft Division in Mishawaka, which received a \$17,279 Advance Indiana grant. Some companies, such as Guardian Automotive Products in Ligonier, benefited from both the SEF and Advance Indiana programs in 2001.

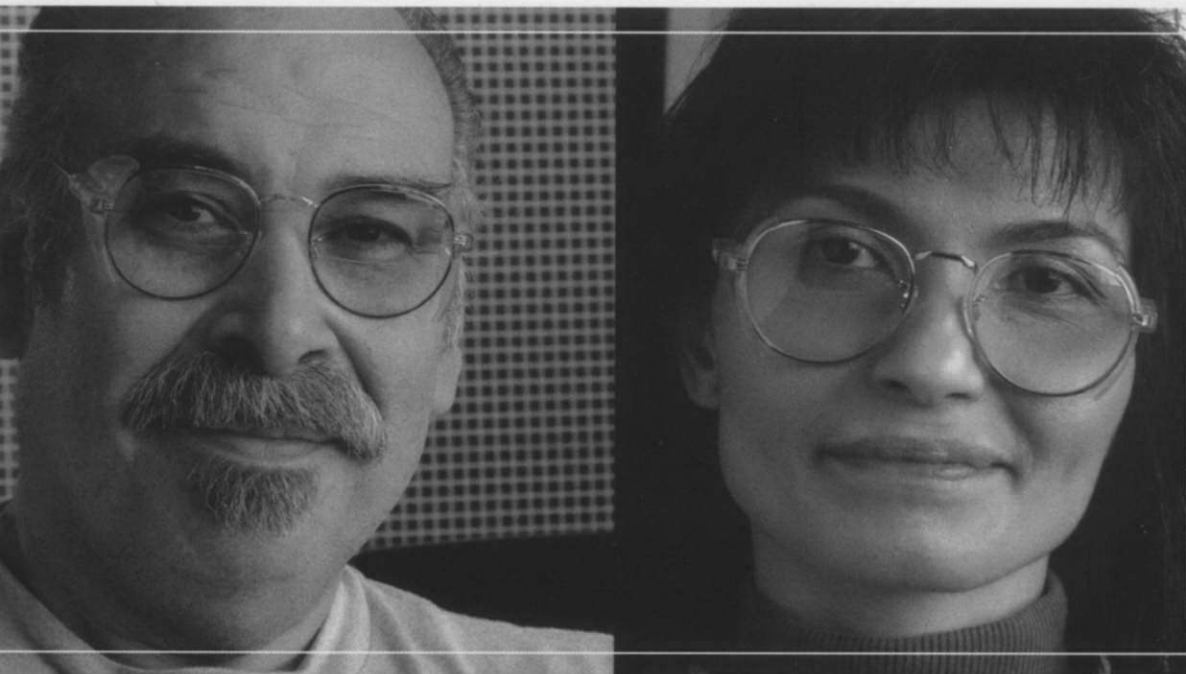
"Guardian is committed to developing our employees, for the benefit of each individual as well as for our business," said Tim Morrow, plant manager of Guardian's automotive glass fabrication plant in Ligonier. "As a leader and an innovator in the glass industry, we rely on a highly-qualified workforce. These training grants from the state of Indiana make an important impact on our plant's effectiveness."

Since Skills 2016 was launched on July 1, 2001, Workforce Development has awarded 36 Advance Indiana grants totaling more

than \$2.6 million, and Commerce has awarded 31 SEF grants totaling more than \$1 million. These grants are projected to assist more than 9,500 employees throughout the state.

The need for training continues to grow as the workplace becomes transformed by technology. A highly skilled workforce equals success for businesses and progress for the state—that's why Skills 2016 is a relationship-built to last.

A Web site dedicated to the Skills 2016 program was also launched in 2001. At www.in.gov/skills2016, companies can read about the types of grants available, the guidelines for qualifying, and the application process. The site even contains a pre-application page so businesses can submit preliminary information to a Skills 2016 program manager, who then contacts the company to provide application guidance.



DANIEL PEÑA AND SAIPIN HOCHARD, GUARDIAN AUTOMOTIVE PRODUCTS

In 2001, Skills Enhancement Fund grants helped Indiana companies train 6,355 new employees as well as 50,112 existing employees who had the opportunity to gain new skills. Since 1997, almost 300,000 Hoosiers have received training through assistance from this program.

A Look Ahead

TOM McKENNA, INDIANA DEPARTMENT OF COMMERCE



As we look to the future, the events of 2001 will remain with us – yet they won't stop us. We will continue to do the things we need to do to be successful.



ROBIN WOOD, INDIANA DEPARTMENT OF COMMERCE

In Indiana we have a lot going for us: a diverse economy, a strong educational system, a skilled workforce and a high quality of life — all of which add up to a very bright future.

As 2002 unfolds and the economy gets moving again, the state of Indiana and the Indiana Department of Commerce will continue to seek the partnerships, build the relationships and provide the leadership needed to keep *Indiana in a state of progress*.

Resources

Indiana Department of Commerce
Executive Office, General Inquiries
Main Phone 317.232.8800
Fax 317.233.5123
Tom McKenna, Executive Director

Business Development Division
Main Phone 317.232.8888
Fax 317.232.4146
Toll Free 800.280.0584
Bob Murphy, Director

Community Development Division
Main Phone 317.232.8911
Fax 317.233.3597
Toll Free 800.824.2476
Susie Harmless, Director

Development Finance Division
Main Phone 317.232.8782
Fax 317.234.1735
Toll Free 800.280.0584
Mike Draper, Director

E-Commerce Division
Main Phone 317.232.4768
Fax 317.233.5123
Jennifer Kurtz, Director

Energy Policy Division
Main Phone 317.232.8940
Fax 317.232.8995
Niles Parker, Director

International Trade Division
Main Phone 317.233.3762
Fax 317.233.1680
Cyrus Reed, Director

Marketing & Public Affairs Division
Main Phone 317.233.9634
Fax 317.233.9851
Linda McGrannahan, Director

Tourism & Film Development Division
Indiana Main Street Program
Main Phone 317.232.8860
Fax 317.233.6887
Toll Free 800.289.6646
Lynne Fuller, Acting Director

www.indianacommerce.com
www.indianalnsites.com
www.enjoyindiana.com

Pictured on cover:

Front Cover:

Chuck Martindale
Cathleen Poland

Back Cover:

Laura Adcock
Richard Rowley



Indiana Department of Commerce

One North Capitol, Suite 700

Indianapolis, Indiana 46204

Toll-free: 1.800.463.8081

Tel: 317.232.8800

www.indianacommerce.com

